



DEPARTMENT OF  
**COMMUNITY  
SERVICES**

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***Financial Empowerment and Advocacy Division***

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## **Microbusiness Loan Application**

Louisville Metro Department of  
Community Services and Revitalization  
810 Barret Avenue  
Louisville, KY 40204  
[www.LouisvilleKy.gov/CSR](http://www.LouisvilleKy.gov/CSR)

*The Community Services and Revitalization's (CSR) microbusiness program is funded by the Community Development Block Grant from the U.S. Department of Housing and Urban Development.*

*July 1, 2014*



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**Dear Potential Microbusiness Loan Applicant:**

The Louisville Metro Department of Community Services and Revitalization (CSR) microbusiness program is funded by the Community Development Block Grant from the U.S. Department of Housing and Urban Development (HUD). HUD requires that all applications be determined to be eligible for financing under HUD regulations.

Sufficient time is required to allow staff an opportunity to analyze your request. It is very important that the application be complete or we cannot consider your request for a loan. Loan reviews will be set up monthly, except for the month of December.

COMPLETED APPLICATIONS need to be submitted during the first week of the month, with loan reviews held during the last week of the month, except for December.

If CSR approves your application, you will be issued a **commitment letter**. This letter will specify the terms and conditions of the loan and any other documents needed to proceed to loan closing. Your prompt return of the executed commitment letter and any other documents required by that letter will assist in expediting loan closing as the closing is not scheduled until all required documents are submitted. CSR staff will coordinate loan closing with Metro Finance and the County Attorney's office.

It takes additional time to prepare loan documents, etc. **LOAN CLOSINGS WILL TAKE PLACE APPROXIMATELY ONE MONTH AFTER APPROVAL, BUT NOT SOONER THEN TWO WEEKS FOLLOWING SUBMISSION OF ANY ADDITIONAL DOCUMENTS SPECIFIED IN YOUR COMMITMENT LETTER.**

Because of the due diligence, regulatory and legal requirements, please allow approximately **TWO MONTHS** from application submission to loan closing. It is generally not possible to expedite this process. If the CSR microbusiness process does not meet your or your business' needs, then alternative sources of financing should be pursued.

Sincerely,

The Department of Community Services and Revitalization  
Microbusiness Team

## Loan Terms and Eligibility Requirements

### Loan Terms

Loans can be financed up to six years with a preference towards shorter-term loans. The repayment period will begin 60 days after the loan closing. There are two types of loan programs:

- The **Ignite** loan program is for businesses that have been open for at least one year. The loans range from \$5,000 to \$15,000, with an interest rate of 4%.
- The **Spark** loan program is for start-up businesses or businesses that have been open for less than one year. The loans range from \$500 to \$5,000, with 0% interest.

Business owner(s) must agree to provide financial and job creation data to CSR staff on a quarterly basis until the loan has been paid. Repayment of the loan may be secured by a lien on business assets of the borrower.

### Eligibility Requirements

Individuals or businesses that may qualify include:

- **Your business employs FIVE or less employees including the owner.**
- **Business owners whose household income falls at or below 80% of the Area Median Income.**

Persons in Household	50.1-80% of AMI
1	\$ 35,700 or less
2	\$ 40,800 or less
3	\$ 45,900 or less
4	\$ 50,950 or less
5	\$ 55,050 or less
6	\$ 59,150 or less

- Businesses and loans must be used for approved eligible activities listed in the application.
- You must be a resident of Louisville, Kentucky and your business must be located in Louisville.
- Your business must be in good standing with all tax entities including the Louisville Metro Revenue Commission (EXISTING BUSINESSES).
- Your business registrations must be current (EXISTING BUSINESSES).

### Eligible Activities for funding:

Equipment purchase or rental / Rent payment for office space / Insurance / Consulting Services/ Inventory / Training / Advertising and Marketing

### Loan funds cannot be used for the following:

Personal expenses / Payroll / Taxes or court, license or government fees / Façade and structural improvements / Debt repayment / Mortgage or rent for home-based business / Homeowner's insurance

### Microbusiness loans will NOT be given to the following business types:

Religious Activities, Real Estate Speculation, Non-Profit organizations.

In addition, there is a preference towards supporting neighborhood-friendly businesses and the following types of businesses are not eligible: adult entertainment, gun sales, gambling, liquor stores, etc.



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## MICROBUSINESS LOAN APPLICATION CHECKLIST

ALL ITEMS MUST BE CHECKED OR MARKED "N/A"

Business Name \_\_\_\_\_ Phone \_\_\_\_\_

Client Name \_\_\_\_\_ Phone \_\_\_\_\_

(For office use only: Date Received \_\_\_\_\_ Date of complete loan application \_\_\_\_\_)

### Loan Application Checklist

- \_\_\_\_\_ Loan application.
- \_\_\_\_\_ Photo ID (applicant only).
- \_\_\_\_\_ Copies of Social Security cards of EVERYONE in household to prove household size (REQUIRED).
- \_\_\_\_\_ Proof of income for each member of the household who are 18 years and older -- submit "Sources of Income" form attached in the application along with supporting documents.
- \_\_\_\_\_ Proof of Household Assets and Liabilities -- form attached in application.
- \_\_\_\_\_ Personal Budget Statement -- form attached in application.
- \_\_\_\_\_ Copies of SIX months of PERSONAL checking account bank statements.
- \_\_\_\_\_ **Completed Business Plan** -- Please be sure your business plan includes the following information:
  - Summary of the business,
  - Marketing plan,
  - Operating plan,
  - Competition analysis,
  - 12 month financial projections.
- \_\_\_\_\_ **Use of Funds Statement.** A detailed list of items that will be purchased along with an explanation of need of funding and how those funds will generate revenue for the business.
- \_\_\_\_\_ A copy of Personal Tax Returns (federal) from most recent year.
- \_\_\_\_\_ A copy of your recent **Credit History Report** from AnnualCreditReport.com. Each of the three credit reporting agencies, TransUnion, Experian or Equifax are required to provide you a free copy of your credit history once a year. We only need a copy from one of these sources.  
<https://www.annualcreditreport.com-> and <https://www.creditkarma.com>

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**All new businesses or SPARK loan applicants must submit the following:**

**For Spark applicants, if your business is *NOT* open or it has been open for less than one year, please submit the following:**

\_\_\_\_\_ **Proof of Business Training (copy of a certificate).** Qualified training includes programs by the following organizations listed below. If you have taken a business start up course that is not listed below, please submit a certificate of completion from the business course you completed.

- Louisville Metro Dept. of Community Services and Revitalization (Power Up Business Development or Ice House Entrepreneurship Program);
- Navigate Enterprise Center, a subsidiary of Jewish Family and Career Services;
- Community Ventures Corporation;
- Louisville SCORE/SBDC (Own Your Own Business, Simple Steps to Starting a Business or similar course);
- Small Business and Entrepreneurship Center of Jefferson Community and Technical College;
- Lean LaunchPad Entrepreneur Training by Nucleus;
- TK&T Associate's Kauffman FastTrac development program;
- Business degree or certificate program from a college or university

**All existing business or IGNITE loan applicants must submit the following:**

**For Ignite applicants, if your business has been open for more than one year, please submit the following:**

- \_\_\_\_\_ Proof of registration with the Louisville Metro Revenue Commission. Your business must be in GOOD STANDING with the Revenue Commission. Contact at 574-4860, 617 W. Jefferson St., [www.louisvilleky.gov/revenue](http://www.louisvilleky.gov/revenue).
- \_\_\_\_\_ Proof of Business Registration with Commonwealth of Kentucky (Secretary of State) if not Sole Proprietor
- \_\_\_\_\_ Copy of Assumed Name Certificate from Jefferson County Clerk (if sole proprietor).
- \_\_\_\_\_ Business Tax Returns for the last two (2) years or most recent if open for less than two years.
- \_\_\_\_\_ Recent Profit/Loss Statement.
- \_\_\_\_\_ A copy of the most recent BUSINESS CHECKING ACCOUNT bank statement.
- \_\_\_\_\_ Proof of Business Insurance.

I certify that the information provided to determine my eligibility for participation in the CSR Microbusiness Loan Program is true and accurate to the best of my knowledge. I certify that I have fully disclosed all sources of my income and all sources of income received by members of my household. I further understand that any false information provided in connection to this application may be grounds for disqualification from this program. I hereby acknowledge that I am receiving assistance under a federally funded program, Community Development Block Grant and that Title 18, Section 1001 of the United States Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department or agency of the United States.

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Applicant Signature

Print Applicant Name

Date

# MICROBUSINESS LOAN APPLICATION

## Louisville Metro Department of Community Services

This form must be filled out COMPLETELY and accompanying documentation must be provided in order to be eligible to apply. All information submitted will be considered confidential. *Please PRINT legibly.*

Date: \_\_\_\_\_

The undersigned hereby submit(s) application and financial statement(s) for a loan in the net amount of:

Dollars \$ \_\_\_\_\_

Purpose of the Loan (be specific): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Requested Term of Loan (what is the amount of time you feel you need to pay back the loan?): \_\_\_\_\_

### Personal Information

Name \_\_\_\_\_ Date \_\_\_\_\_

Home Address \_\_\_\_\_ City \_\_\_\_\_ Zip \_\_\_\_\_

Preferred Phone Contact \_\_\_\_\_ (what type, home, cell, or work?) \_\_\_\_\_

Additional Phone Contact \_\_\_\_\_ (what type, home, cell, or work?) \_\_\_\_\_

Email \_\_\_\_\_

### Race

☐ Black/African-American ☐ White ☐ Asian ☐ American Indian/Alaska Native

☐ Native Hawaiian/Other Pac. Islander ☐ American Ind./Alaska Nat./White ☐ Asian/White

☐ Black/African American/White ☐ American Ind./Alaska Nat./Black ☐ Other Multi-Racial

☐ Hispanic ☐ Non-Hispanic

Please circle the range your household's annual income falls:

Household Size:	0-30% AMI	31-50% AMI	51-80% AMI
1 Person	\$13,400 or Less	\$13,401 - \$22,300	\$22,301 – \$35,700
2 Person	\$15,300 or Less	\$15,301 - \$25,500	\$25,501- \$40,800
3 Person	\$17,200 or Less	\$17,201- \$28,700	\$28,701 - \$45,900
4 Person	\$19,100 or Less	\$19,101 - \$31,850	\$31,851 - \$50,950
5 Person	\$20,656 or Less	\$20,651 - \$34,400	\$34,401 - \$55,050
6 Person	\$22,200 or Less	\$22,201 - \$36,950	\$36,951 - \$59,150
7 Person	\$23,700 or Less	\$23,701 - \$39,500	\$39,501 - \$63,200
8 Person	\$25,250 or Less	\$25,251 - \$42,050	\$42,051 - \$67,300

If your household is greater than 8, what is household size? \_\_\_\_\_

For households larger than eight (8), what is your household income? \_\_\_\_\_

## Personal and Household Information

Date of Birth \_\_\_\_\_ Primary Language \_\_\_\_\_

Gender (circle)      Female    Male

Do you receive food stamps? (circle) Yes    No    If yes, amount per month? \$ \_\_\_\_\_

Marital status (circle)      Single      Married

Household Type (circle):    Single      Single parent/female      Single parent/male

Two adults no children      Two-parent household      Other

Housing Status (circle)    Homeless    Own      Other

Rent/Non-subsidized      Rent/Subsidized

Education Level (circle):    Grades 0-8    9-12/Non-graduate    HS grad

12+ Some Post Secondary      2 or 4 year college grad

Post Graduate

Health Insurance (circle):    KTAP medical card      Medicare

Medicare w/ private insurance      Medicaid

State medical card      No insurance

Private insurance

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Are you an immigrant or have refugee status? (circle) Yes No

If yes, how long have you been in the United States? \_\_\_\_\_

If yes, and for less than five years, please submit copy of immigrant/refugee documents.

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Are you a U.S. Veteran? (circle) Yes No

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Additional Household Members:

Name	Relationship
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1.

2.

3.

4.

## Business Information

Name of Business \_\_\_\_\_

Is your business currently open? ☐ Yes ☐ No

Year Business Established \_\_\_\_\_

\_\_\_\_ sole proprietorship  
\_\_\_\_ LLC  
\_\_\_\_ s-corporation  
\_\_\_\_ partnership  
\_\_\_\_ corporation

### For Current Business Owners:

Business Name \_\_\_\_\_

List Owners \_\_\_\_\_

Business Address \_\_\_\_\_ Zip Code \_\_\_\_\_

Business Phone \_\_\_\_\_ Email \_\_\_\_\_

Business Web Address \_\_\_\_\_

Business Type ☐ Service ☐ Retail ☐ Other \_\_\_\_\_

Operating Location ☐ Home-based ☐ Store Front ☐ Office ☐ On-line

Do you currently ☐ Rent ☐ Lease ☐ Own your place of business?

If own: Date of Purchase: \_\_\_\_\_ Purchase Price: \_\_\_\_\_

### 1. Briefly describe your business or business concept

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### 2. Why did you start your business or why do you want to start this business?

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### 3. Why do you believe your business is capable of success?

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### 4. Number of Employees (if your business is open):

Full Time \_\_\_\_\_ Part Time \_\_\_\_\_ Family \_\_\_\_\_

### 5. Do you plan to hire additional employees in the upcoming year? \_\_\_\_\_ Yes \_\_\_\_\_ No

How many employees? Full time \_\_\_\_\_ Part time \_\_\_\_\_

### 6. How much have you invested in your business?

6a. TIME: \_\_\_\_\_

6b. MONEY (Equipment/Supplies): \_\_\_\_\_

7. **What sources of funding did you use to start and/or expand your business?** If you have used funding multiple times from one source please add the amounts and give a total.

Source of funding	Yes/No	Amount
Personal savings	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Government loan	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Business Loan from a financial institution	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Navigate Enterprise Center (a division of Jewish Family and Career Services)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Community Ventures Corporation	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Beargrass Christian Church Microloan Program	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Loan from Family or Friends	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Investor(s) (venture capital, silent partner, etc.)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Other Funding: _____	<input type="checkbox"/> Yes <input type="checkbox"/> No	

8. **If your business IS open, please answer the following questions.** If you do not keep records please estimate to the best of your knowledge.

8a. **Do you pay yourself a salary or take a draw from your business?** ☐Yes ☐ No

8b. **What were your sales in the last month?** \$ \_\_\_\_\_

Are most months like this? ☐Yes ☐ No

If no, please explain: \_\_\_\_\_

9. **How is your educational and/or work background related to your business idea?**

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10. Has any principle (business owner/investor) ever been convicted of any criminal offenses other than a minor motor vehicle violation? ☐ Yes ☐ No

11. Has the business or any principle (business owner/investor) ever been in receivership or adjudicated a bankruptcy?

☐ Yes    ☐ No

12. Are you or any principle (business owner/investor) related to a Louisville Metro Government employee?    ☐ Yes    ☐ No

13. Please provide contact information for three PERSONAL references.

Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Please return completed application with attachments to the address listed below. Loan applications can be accepted year-round, but applications must be complete.

**Louisville Metro Department of Community Services (CS)**

**Microbusiness Program**, 810 Barret Avenue / Third Floor, Louisville, KY 40204

If questions, please contact us at

(502) 574-5168 or (502) 574-5866.

Email: [CAPEnterprise@LouisvilleKy.gov](mailto:CAPEnterprise@LouisvilleKy.gov)

Visit [www.LouisvilleKy.gov/CSR](http://www.LouisvilleKy.gov/CSR)

*LOAN APPLICATION --- MORE NEXT PAGE*

## SOURCES OF INCOME

Please provide documentation to certify proof of household income for EACH person 18 and over who **shares living space with the applicant**. The following documents can be used to certify income eligibility for business owner(s) and household members:

- Wage Stubs for **THREE full months** (most recent).
- Benefit statements or award letters (current).
- Unemployment/Worker's Compensation.
- **Self-Employment** – please provide three month's information of profit/loss. Form is attached.
- **NO INCOME** -- If a family member does not have verifiable income, then third-party verifications are required.

Applicant: \_\_\_\_\_ Co-Applicant: \_\_\_\_\_

Address: \_\_\_\_\_

Does any member of the household who is at least 18 years of age have, or expect to receive within the next 12 months, income from the following sources?

- ☐ Yes ☐ No Wages, salaries, overtime pay, commissions, fees, tips, bonuses, Armed services pay or other compensation for personal services
- ☐ Yes ☐ No Operation of a business or profession, or from real estate or other capital investments, or from personal property
- ☐ Yes ☐ No Interest or dividends from stocks, bonds, Treasury Bills, Certificates of Deposit, savings or checking accounts, brokerage accounts or money market accounts, the total of which have a value over \$5,000 (if less, does not count)
- ☐ Yes ☐ No Social Security, Individual Retirement Account, annuities, insurance policies, disability or death benefits, or similar types of periodic payments
- ☐ Yes ☐ No Retirement or pension
- ☐ Yes ☐ No Unemployment, severance pay
- ☐ Yes ☐ No Disability, workers compensation
- ☐ Yes ☐ No Temporary assistance for Needy Families (TANF)
- ☐ Yes ☐ No Alimony or child support
- ☐ Yes ☐ No Life insurance policies available before death (whole or universal life)
- ☐ Yes ☐ No Revocable trust
- ☐ Yes ☐ No Lump sum payment or receipt of inheritances, capital gains, lottery winnings, victim's restitution, insurance settlements
- ☐ Yes ☐ No Regular gifts from sources outside the household
- ☐ Yes ☐ No **Have you or any member of your household disposed of assets below fair market value within the past two years?**

Applicant \_\_\_\_\_ Date \_\_\_\_\_

Co-Applicant \_\_\_\_\_ Date \_\_\_\_\_

**Warning:** Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful, false statements of misrepresentations to any department of agency of the U.S. or to any matter within its jurisdiction. Revised December 30, 2011.

# **Personal Finance Form - Household Assets and Liabilities**

Name: \_\_\_\_\_

 Date: \_\_\_\_\_ *Please fill out tables completely (copies needed from all business partners).*

What your household owns <b>Household Assets</b>			What your household owes <b>Household Liabilities</b>		
Do you or anyone in your household own:	Yes/No	Purchase price or asset value.	Do you or anyone in your household owe a balance on:	Yes/No	How much of the balance is owed?
House, condominium, mobile home?	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	Home Mortgages	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$
Other real estate: Specify:	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	Other property mortgage	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$
Cars or trucks	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	Auto Loan(s)	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$
Saving account	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	Credit Card(s)	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$
Checking account	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	Educational loans	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$
Retirement fund	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	Taxes	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$
Stock or bonds	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	Other liabilities Specify:	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$
Life insurance <i>Is it Term or Whole? (circle)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	Cash surrender value \$			
Other assets worth over \$5,000 Specify:	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$			
<b>TOTAL HOUSEOLD ASSETS</b>	\$		<b>TOTAL HOUSHOLD LIABILITIES</b>	\$	

Subtract total of ASSETS – from total of LIABILITIES = to determine NET WORTH \$ \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

## Personal Information – Personal Budget Statement

Please tell us about your monthly household income and payment obligations.

Name: \_\_\_\_\_

Date: \_\_\_\_\_ *Please fill out tables completely (copies needed from all business partners).*

<b>Monthly Household Income</b>		<b>Monthly Expenses</b>	
Gross Monthly Pay From Employer	\$ _____	Mortgage/Rent Payment (Primary Residence)	\$ _____
+		+	
Gross Monthly Pay From Other Jobs	\$ _____	Mortgage Payment (Investment Property)	\$ _____
+		+	
Spouse/Partner Gross Income	\$ _____	Second Mortgage/ Home Equity Loan	\$ _____
+		+	
Income from Government	\$ _____	Auto Loan Payment	\$ _____
+		+	
Explain: _____		Credit Card Minimum Payment(s)	\$ _____
+		+	
Interest Income	\$ _____	Other Loan Payments to Lending Institutions	\$ _____
+		+	
Bonuses/Commission	\$ _____	Loan Payments to Friends/Relatives	\$ _____
+		+	
Rental Income	\$ _____	Alimony/ Child Support	\$ _____
+		=	
Alimony/ Child Support	\$ _____		
+			
Other Income	\$ _____		
Explain: _____			
=			
<b>Total Monthly Household Income</b>	<b>\$ _____</b>	<b>Total Monthly Payment Obligations</b>	<b>\$ _____</b>

Signature \_\_\_\_\_

## Quarterly Business Income Determination

Please submit a quarterly profit and loss statement for the most recent three months. For example, if you submit an application in September, you need to provide your businesses' profit and loss information from July to August. You can use this form, or submit a formal P&L statement from an accountant or accounting program such as Quick Books.

Business Name: \_\_\_\_\_ Date: \_\_\_\_\_

Quarterly Profit /Loss	Month: _____ Year: _____	Month: _____ Year: _____	Month: _____ Year: _____
<b>Cash Inflow / Revenue</b>			
TOTAL REVENUE			
<b>Cash Outflow / Expenses</b>			
Owner's Salary			
TOTAL EXPENSES			
<b>NET INCOME</b> (revenue – expenses = net income)			

Signature: \_\_\_\_\_



DEPARTMENT OF  
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## Release of Information – Credit History

I, the undersigned loan recipient(s), applying for a Microenterprise Loan from the Louisville Metro Department of Community Services and Revitalization, give(s) permission to same, to obtain and review the applicant's credit history and report needed in processing this loan.

Name(s) of Applicant: \_\_\_\_\_

Name of Business: \_\_\_\_\_

All information obtained will be used only for the purpose of processing of loan and will not be released to any other government agency or department without my consent as required or permitted by law.

This must be signed and dated.

Applicant

Signatures: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Social Security #: \_\_\_\_\_

Date: \_\_\_\_\_

Co-Applicant

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_